

Closed Captioning Compliance Statement

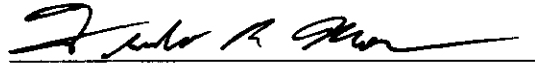
Heritage Christian University certifies to WAAY, Huntsville, AL, that the broadcast by the station of *Real World Ministry* is exempt from the closed captioning requirements of the Federal Communications Commission (47 CFR § 79.1) under the § 79.1 (d)(8) exemption for “locally produced and distributed non-news programming with no repeat value” because the program:

- Is not news programming;
- Is of specific local interest to residents of the station’s service area;
- Is not repeated or redistributed; and
- Is not scripted so that electronic news room closed captioning would be unavailable.

If there is any change in the above information, we will provide immediate written notice to the station.

Heritage Christian University
Lori Eastep, Public Relations Coordinator
Dated: 3/27/2006

I, Freddie P. Moon, am Vice President for Operations of Heritage Christian University. I have reviewed the Petition for Exemption for Closed Captioning Requirements filed on behalf of Heritage Christian University in this matter, and upon information and belief, believe the statements regarding our organization and Real World Ministry to be true and accurate.

A handwritten signature in black ink, appearing to read "Freddie P. Moon", written over a horizontal line.

Freddie P. Moon
Vice President for Operations
3/27/06

Schedule of Programming
Heritage Christian University

Real World Ministry
Real World Ministry

6:30 – 7 a.m., WZDX, Huntsville, AL
10:30 – 11 a.m., WAAY, Huntsville, AL

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2004**Open to Public Inspection****A** For the 2004 calendar year, or tax year beginning July 1, 2004, and ending June 30, 2005**B** Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return
☐ Amended return
☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organizationHeritage Christian University

Number and street (or P.O. box if mail is not delivered to street address) Room/suite

P.O. Box HCU

City or town, state or country, and ZIP + 4

Florence, AL 35630-0050**D** Employer identification number**E** Telephone number(256) 766-6610**F** Accounting method: ☐ Cash ☒ Accrual
☐ Other (specify) ▶

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and **I** are not applicable to section 527 organizations.**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** If "Yes," enter number of affiliates ▶**H(c)** Are all affiliates included? ☐ Yes ☐ No
(If "No," attach a list. See instructions.)**H(d)** Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No**I** Group Exemption Number ▶**M** Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).**G** Website: ▶**J** Organization type (check only one) ▶ ☒ 501(c) (3) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527**K** Check here ☐ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.**L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (See page 18 of the instructions.)

Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	a Direct public support	1a	<u>2052518</u>	
	b Indirect public support	1b		
	c Government contributions (grants)	1c		
	d Total (add lines 1a through 1c) (cash \$ <u>2,001,650</u> noncash \$ <u>50,868</u>)	1d	<u>2,052,518</u>	
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2	<u>793,630</u>	
	3 Membership dues and assessments	3		
	4 Interest on savings and temporary cash investments	4	<u>28,368</u>	
	5 Dividends and interest from securities	5	<u>198,438</u>	
	6a Gross rents	6a		
	b Less: rental expenses	6b		
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c		
7 Other investment income (describe ▶)	7			
Revenue	8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other
	b Less: cost or other basis and sales expenses	8a		
	c Gain or (loss) (attach schedule)	8b		
	d Net gain or (loss) (combine line 8c, columns (A) and (B))	8c		
	9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>	8d		
	a Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a		
	b Less: direct expenses other than fundraising expenses	9b		
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c		
	10a Gross sales of inventory, less returns and allowances	10a		
	b Less: cost of goods sold	10b		
c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c			
11 Other revenue (from Part VII, line 103)	11			
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	<u>3,068,954</u>		
Expenses	13 Program services (from line 44, column (B))	13	<u>1,828,252</u>	
	14 Management and general (from line 44, column (C))	14	<u>335,854</u>	
	15 Fundraising (from line 44, column (D))	15	<u>476,528</u>	
	16 Payments to affiliates (attach schedule)	16		
	17 Total expenses (add lines 13 and 14, column (A))	17	<u>2,640,634</u>	
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18	<u>428,320</u>	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19	<u>5,861,222</u>	
	20 Other changes in net assets or fund balances (attach explanation)	20	<u>(93,126)</u>	
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	<u>6,196,416</u>	

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form 990 (2004)

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See page 22 of the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____)	22			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc.	25	175,664	43,916	87,832
26	Other salaries and wages	26	964,699	759,352	46,484
27	Pension plan contributions	27	61,788	50,390	5,699
28	Other employee benefits	28	104,568	165,156	19,706
29	Payroll taxes	29	32,555	28,028	3,018
30	Professional fundraising fees	30	400		400
31	Accounting fees	31	10,109		10,109
32	Legal fees	32			
33	Supplies	33	54,676	40,805	3,105
34	Telephone	34	35,680	21,414	7,929
35	Postage and shipping	35	19,048	15,698	867
36	Occupancy	36	206,193	168,835	18,674
37	Equipment rental and maintenance	37	44,101	20,088	10,412
38	Printing and publications	38	17,170	15,626	772
39	Travel	39	104,237	38,408	12,086
40	Conferences, conventions, and meetings	40	13,137	12,827	
41	Interest	41	83,942		83,942
42	Depreciation, depletion, etc. (attach schedule)	42	150,291	120,233	15,029
43	Other expenses not covered above (itemize): a Scholarship	43a	151,237	151,237	
b	Cost of Merchandise Sold	43b	61,851	61,851	
c	Advertising and Promotion	43c	34,325	23,849	1,529
d	Contractual Services	43d	5,209	8,880	183
e	Sundry	43e	200,754	81,659	8,668
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15.	44	2640634	1828252	335,854

Joint Costs. Check ☐ if you are following SOP 98-2.Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☐ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____;

(iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See page 25 of the instructions.)

What is the organization's primary exempt purpose? ▶

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)	
a	Heritage University educates ministers for serving in the Church — currently has 171 students enrolled.
	(Grants and allocations \$ _____)
b	
	(Grants and allocations \$ _____)
c	
	(Grants and allocations \$ _____)
d	
	(Grants and allocations \$ _____)
e	Other program services (attach schedule) (Grants and allocations \$ _____)
f	Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶

Part IV Balance Sheets (See page 25 of the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.		(A) Beginning of year		(B) End of year
Assets	45 Cash—non-interest-bearing	91,336	45	61,350
	46 Savings and temporary cash investments	201,591	46	311,144
	47a Accounts receivable	116,722	47c	92,893
	b Less: allowance for doubtful accounts	23,829		
	47b	76,011		
	48a Pledges receivable	40,000	48c	40,000
	b Less: allowance for doubtful accounts			
	48b	30,500		
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes and loans receivable (attach schedule)	123,430	51c	123,430
	b Less: allowance for doubtful accounts			
	51b	124,084		
	52 Inventories for sale or use	22,617	52	21,294
	53 Prepaid expenses and deferred charges	84,630	53	76,200
54 Investments—securities (attach schedule) <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	4,762,404	54	5,095,558	
55a Investments—land, buildings, and equipment: basis	77,718	55c	77,718	
b Less: accumulated depreciation (attach schedule)	0			
55b	77,718			
56 Investments—other (attach schedule)	55,399	56	59,198	
57a Land, buildings, and equipment: basis	4,528,256	57c	2,317,064	
b Less: accumulated depreciation (attach schedule)	2,211,192			
57b	2,317,064			
58 Other assets (describe <input type="checkbox"/> Planned Giving Receivable - Long Term	43,848	58	51,628	
59 Total assets (add lines 45 through 58) (must equal line 74)	7,918,655	59	8,333,477	
Liabilities	60 Accounts payable and accrued expenses	12,610	60	17,533
	61 Grants payable	39,155	61	
	62 Deferred revenue		62	43,680
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)	1,468,543	64b	1,323,304
	65 Other liabilities (describe <input type="checkbox"/> Schedule attached)	527,126	65	702,544
66 Total liabilities (add lines 60 through 65)	2,057,434	66	2,137,061	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	1,305,213	67	1,341,909
	68 Temporarily restricted	2,020,180	68	2,145,598
	69 Permanently restricted	2,535,828	69	2,708,909
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	5,861,221	73	6,196,416
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)	7,918,655	74	8,333,477

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 27 of the instructions.)	Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return
<p>a Total revenue, gains, and other support per audited financial statements . . . ▶ a <u>2,961,192</u></p> <p>b Amounts included on line a but not on line 12, Form 990:</p> <p>(1) Net unrealized gains on investments . . . \$ _____</p> <p>(2) Donated services and use of facilities \$ _____</p> <p>(3) Recoveries of prior year grants . . . \$ _____</p> <p>(4) Other (specify): _____ \$ _____</p> <p>Add amounts on lines (1) through (4) ▶ b _____</p> <p>c Line a minus line b ▶ c _____</p> <p>d Amounts included on line 12, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990 . . . \$ _____</p> <p>(2) Other (specify): <u>Expense related to donations</u> \$ <u>107,762</u></p> <p>Add amounts on lines (1) and (2) ▶ d <u>107,762</u></p> <p>e Total revenue per line 12, Form 990 (line c plus line d) . . . ▶ e <u>3,068,954</u></p>	<p>a Total expenses and losses per audited financial statements . . . ▶ a <u>2,532,872</u></p> <p>b Amounts included on line a but not on line 17, Form 990:</p> <p>(1) Donated services and use of facilities \$ _____</p> <p>(2) Prior year adjustments reported on line 20, Form 990 . . . \$ _____</p> <p>(3) Losses reported on line 20, Form 990 . . . \$ _____</p> <p>(4) Other (specify): _____ \$ _____</p> <p>Add amounts on lines (1) through (4) ▶ b _____</p> <p>c Line a minus line b ▶ c _____</p> <p>d Amounts included on line 17, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990 . . . \$ _____</p> <p>(2) Other (specify): <u>Expense related to donation</u> \$ <u>107,762</u></p> <p>Add amounts on lines (1) and (2) ▶ d <u>107,762</u></p> <p>e Total expenses per line 17, Form 990 (line c plus line d) . . . ▶ e <u>2,640,634</u></p>

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see page 27 of the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Dennis Jones 2285 County Rd 30 Florence, AL 36600	President 40	58,548	-0-	-0-
Freddie P. Moon 1803 Rosedale St. Muscle Shoals, AL	Vice - President 40	58,008	-0-	-0-
Bill Byrnes Florence, AL 36630	Vice - President 40	58,008	-0-	-0-
Vernon Shunkoff Tree Line Drive Florence, AL 36630	Vice - President 4	1,100	-0-	-0-
(Directors: see attached schedule none of the directors receive compensation or benefits from the University)				

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? ☐ Yes ☒ No

If "Yes," attach schedule—see page 28 of the instructions.

Part VI Other Information (See page 28 of the instructions.)

	Yes	No
76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity.		<input checked="" type="checkbox"/>
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.		<input checked="" type="checkbox"/>
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		<input checked="" type="checkbox"/>
b If "Yes," has it filed a tax return on Form 990-T for this year?		
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		<input checked="" type="checkbox"/>
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	<input checked="" type="checkbox"/>	
b If "Yes," enter the name of the organization International Bible College Investment Corporation and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a Enter direct and indirect political expenditures. See line 81 instructions 81a <u>0-</u>		
b Did the organization file Form 1120-POL for this year?		<input checked="" type="checkbox"/>
82a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		<input checked="" type="checkbox"/>
b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b		
83a Did the organization comply with the public inspection requirements for returns and exemption applications?	<input checked="" type="checkbox"/>	
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	<input checked="" type="checkbox"/>	
84a Did the organization solicit any contributions or gifts that were not tax deductible?		<input checked="" type="checkbox"/>
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		
b Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
c Dues, assessments, and similar amounts from members. 85c		
d Section 162(e) lobbying and political expenditures. 85d		
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices. 85e		
f Taxable amount of lobbying and political expenditures (line 85d less 85e). 85f		
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
86 501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12. 86a		
b Gross receipts, included on line 12, for public use of club facilities. 86b		
87 501(c)(12) orgs. Enter: a Gross income from members or shareholders. 87a		
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b		
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX. 88		<input checked="" type="checkbox"/>
89a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0-</u> ; section 4912 <u>0-</u> ; section 4955 <u>0-</u>		
b 501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction. 89b		<input checked="" type="checkbox"/>
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 89c <u>0-</u>		
d Enter: Amount of tax on line 89c, above, reimbursed by the organization 89d <u>0-</u>		
90a List the states with which a copy of this return is filed 90a		
b Number of employees employed in the pay period that includes March 12, 2004 (See instructions.) 90b <u>45</u>		
91 The books are in care of <u>Heritage Christian University</u> Telephone no. <u>(256) 766-6610</u> Located at <u>Florence, AL</u> ZIP + 4 <u>35630</u>		
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 —Check here. <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year 92		

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a Tuition & Fees					648,503
b Sales & Service Auxiliary					83,787
c Dorm Rentals					46,840
d Sundry Revenue					19,480
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					28,368
96 Dividends and interest from securities					194,438
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))					106,436
105 Total (add line 104, columns (B), (D), and (E))					106,436

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
105	All the activities are integral to the operation of the Bible college.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☐ No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☐ No
- Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.	
	Signature of officer <i>Freddie P. Moon</i>	Date 11-8-05
Paid Preparer's Use Only	Type or print name and title. Freddie P. Moon, Vice-President	
	Preparer's signature <i>Freddie P. Moon</i>	Date 11-8-05
Paid Preparer's Use Only	Firm's name (or yours if self-employed), address, and ZIP + 4	Preparer's SSN or PTIN (See Gen. Inst. W)
	EIN	Phone no.

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

OMB No. 1545-0047

2004

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization

Heritage Christian University

Employer identification number

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
<i>Wayne K. Ipatnick</i> <i>Florence, AL</i>	<i>Instructor</i> <i>40</i>	<i>53,533</i>	<i>-0-</i>	<i>-0-</i>
<i>Philip Goad</i> <i>Florence, AL</i>	<i>Director of Advancement</i> <i>40</i>	<i>57,000</i>	<i>-0-</i>	<i>-0-</i>
Total number of other employees paid over \$50,000 ▶				

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<i>NONE</i>		
Total number of others receiving over \$50,000 for professional services ▶		<i>NONE</i>

Part III Statements About Activities (See page 2 of the instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line I of Part VI-B.)		X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		X
e Transfer of any part of its income or assets?		X
3a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)	X	
b Do you have a section 403(b) annuity plan for your employees?	X	
4a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5** ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6** ☒ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7** ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8** ☐ A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9** ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶ _____
- 10** ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a** ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b** ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12** ☐ An organization that normally receives: **(1) more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and **(2) no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13** ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: **(1)** lines 5 through 12 above; or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14** ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 5 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.****Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18.					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22					
24 Line 23 minus line 17					
25 Enter 1% of line 23					
26 Organizations described on lines 10 or 11:					
a Enter 2% of amount in column (e), line 24					26a
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____					26d
e Public support (line 26c minus line 26d total)					26e
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f %
27 Organizations described on line 12:					
a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2003) _____ (2002) _____ (2001) _____ (2000) _____					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2003) _____ (2002) _____ (2001) _____ (2000) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27c
d Add: Line 27a total _____ and line 27b total _____					27d
e Public support (line 27c total minus line 27d total)					27e
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)					27f
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

Part V Private School Questionnaire (See page 7 of the instructions.)
(To be completed **ONLY** by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d Copies of all material used by the organization or on its behalf to solicit contributions?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Admissions policies?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c Employment of faculty or administrative staff?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d Scholarships or other financial assistance?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e Educational policies?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f Use of facilities?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g Athletic programs?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h Other extracurricular activities?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a Does the organization receive any financial aid or assistance from a governmental agency?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

 Check **a** ☐ if the organization belongs to an affiliated group. Check **b** ☐ if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred.)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table— If the amount on line 40 is— The lobbying nontaxable amount is— Not over \$500,000 20% of the amount on line 40 Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000 Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000 Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000 Over \$17,000,000 \$1,000,000	41	
42	Grassroots nontaxable amount (enter 25% of line 41).	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36.	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38.	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the instructions for lines 45 through 50 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in) ►	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 11 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting organization to a noncharitable exempt organization of:

(i) **Cash**

(ii) Other assets

b Other transactions:

(i) Sales or exchanges of assets with a noncharitable exempt organization

(ii) Purchases of assets from a noncharitable exempt organization

(iii) Rental of facilities, equipment, or other assets

(iv) Reimbursement arrangements

(v) Loans or loan guarantees

(vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

[illegible]

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ►

☐ Yes ☐ No

b If "Yes," complete the following schedule:

[illegible]

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Supplementary Information for
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No. 1545-0047

2004

Name of organization

Heritage Christian University

Employer identification number

[REDACTED]

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

☒ 501(c)(3) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule—see instructions.)

General Rule—

- ☒ For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules—

- ☐ For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ▶ \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization

HERITAGE CHRISTIAN UNIVERSITY

Employer identification number

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
<u>1</u>	<u>m/m</u> <u>William T. ALLISON</u> <u>P.O. Box 1075</u> <u>HAMILTON, AL 35570-1075</u>	<u>\$5,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>2</u>	<u>m/m</u> <u>BILL ANDERSON</u> <u>325 OLD Douglas LANE</u> <u>GALLATIN, TN 37066-9703</u>	<u>\$5,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>3</u>	<u>m/m</u> <u>Russell Blackwell</u> <u>1222 ANNA Drive</u> <u>Tusculumbia, AL 35674-6780</u>	<u>\$11,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>4</u>	<u>JAMES W. Bobo</u> <u>815 CUMBERLAND Street</u> <u>FLORENCE, AL 35630-3319</u>	<u>\$39,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>5</u>	<u>Mrs. LENA Bobo</u> <u>825 Cumberland Avenue</u> <u>FLORENCE, AL 35630-3318</u>	<u>\$17,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>6</u>	<u>m/m</u> <u>William Britton, Sr.</u> <u>651 Zhender Drive</u> <u>Tusculumbia, AL 35674</u>	<u>\$10,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

HERITAGE CHRISTIAN UNIVERSITY

Employer identification number

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	Mrs. Julia B. Buffler 215 Breckenridge Court Florence, AL 35630-1467	\$10,000.00	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	m/m Willie D. Duke 306 Gaywood Drive Nashville, TN 37211-4427	\$5,000.00	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9	m/m Joe L. Dunn 6625 Pembroke Road Hopkinsville, KY 42240-8952	\$8,350.74	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
10	m/m Jesse EVANS P.O. Box 194 Lake Dallas, TX 75065	\$5,000.00	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
11	m/m LAWRENCE Hood 5660 NE 56 th Street High Springs, FL 32643-6103	\$10,000.00	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
12	m/m J. Marlin Ivey P.O. Box 727 Kosciusko, MS 39090-0727	\$5,000.00	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

HERITAGE CHRISTIAN UNIVERSITY

Employer identification number

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
<u>13</u>	<u>m/m</u> <u>JOE A. JOHNSON</u> <u>112 Ridge Road</u> <u>POCAHONTAS, AR 72455</u>	<u>\$ 58,246.91</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>14</u>	<u>m/m</u> <u>John M. Kerr, II</u> <u>205 Waterfront Drive</u> <u>HAMILTON, AL 35570</u>	<u>\$ 70,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>15</u>	<u>m/m</u> <u>Dale Kirkland</u> <u>106 Springwater Drive</u> <u>MADISON, AL 35758</u>	<u>\$ 5,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>16</u>	<u>Mr. Joseph W. Kniskern</u> <u>1020 Stradshire Drive</u> <u>Raleigh, NC 27614</u>	<u>\$ 5,110.00</u>	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>17</u>	<u>m/m</u> <u>DONNIE LANE</u> <u>2920 Whiteford Drive, SW</u> <u>Decatur, AL 35603</u>	<u>\$ 5,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>18</u>	<u>m/m</u> <u>John M. Lawson</u> <u>215 Riverwood Drive</u> <u>Florence, AL 35634-2064</u>	<u>\$ 32,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

HERITAGE CHRISTIAN UNIVERSITY

Employer identification number

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
<u>19</u>	<u>m/m Bill Lewter</u> <u>1721 Rosalie Ridge Drive</u> <u>Huntsville, AL 35811</u>	<u>\$5,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>20</u>	<u>m/m DAVID E. McMEANS</u> <u>614 Church Street</u> <u>Rogersville, AL 35652-7300</u>	<u>\$15,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>21</u>	<u>Mrs. BARBARA PACKER</u> <u>6335 W. Northwest Highway</u> <u>Apt. 2112</u> <u>DALLAS, TX 75225</u>	<u>\$5,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>22</u>	<u>m/m Boyd PATE</u> <u>1766 BANKhead Hwy.</u> <u>Winfield, AL 35594</u>	<u>\$5,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>23</u>	<u>m/m Greg A. Poole</u> <u>6461 CASTeel LANE</u> <u>ATHENS, AL 35611-8888</u>	<u>\$5,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>24</u>	<u>m/m DONALD L. Posey, Jr.</u> <u>P.O. Box 340</u> <u>Double Springs, AL</u>	<u>\$35,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

HERITAGE CHRISTIAN UNIVERSITY

Employer identification number

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
<u>25</u>	<u>m/m Wayne L. Riggs</u> <u>P.O. Box 1537</u> <u>HAMILTON, AL 35570-1537</u>	<u>\$ 5,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>26</u>	<u>m/m Marcus E. RINKS</u> <u>405 Woodlawn Drive</u> <u>MT. Juliet, TN 37122</u>	<u>\$ 30,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>26</u>	<u>m/m Marcus E. RINKS</u> <u>405 Woodlawn Drive</u> <u>MT. Juliet, TN 37122</u>	<u>\$ 45,157.98</u>	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>27</u>	<u>m/m John Sharp</u> <u>P.O. Box 155</u> <u>ETHRIDGE, TN 38456-9658</u>	<u>\$ 22,500.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>28</u>	<u>John STERLING PATE TRUST</u> <u>1766 BANKhead Highway</u> <u>Winfield, AL 35594</u>	<u>\$ 17,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>29</u>	<u>PePsi Cola Dr. Pepper Bottling Co.</u> <u>1766 BANKhead Highway</u> <u>Winfield, AL 35594</u>	<u>\$ 10,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

HERITAGE CHRISTIAN UNIVERSITY

Employer identification number

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
<u>30</u>	<u>Global Gift Fund</u> <u>6100 West 96th St., Suite 100</u> <u>Indianapolis, IN 46278</u>	<u>\$5,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>31</u>	<u>Heritage Associates - ARAB</u> <u>502 4th Avenue, NE</u> <u>Arab, AL 35016</u>	<u>\$6,168.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>32</u>	<u>Heritage Associates - Florence</u> <u>516 County Road 306</u> <u>Florence, AL 35634</u>	<u>\$5,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>33</u>	<u>Heritage Associates - Rogersville</u> <u>119 Holden Street</u> <u>Rogersville, AL 35652</u>	<u>\$12,700.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>34</u>	<u>Jim Brock Leonard Trust</u> <u>101 North Maple Avenue</u> <u>ETHRIDGE, TN 38456-9802</u>	<u>\$8,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>35</u>	<u>Oakland Metal Buildings</u> <u>24350 County Road 14</u> <u>Florence, AL 35633</u>	<u>\$12,500.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

HERITAGE CHRISTIAN UNIVERSITY

Employer identification number

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
<u>36</u>	<u>Posey Supply Company</u> <u>P.O. Box 156</u> <u>Double Springs, AL 35553-0156</u>	<u>\$ 45,000.00</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	—	\$ —	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	—	\$ —	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	—	\$ —	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	—	\$ —	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	—	\$ —	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	—	\$ —	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

HERITAGE CHRISTIAN UNIVERSITY

Employer identification number

Part II Noncash Property (See Specific Instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
<u>16</u>	<u>140 Shares GE Stock</u>	\$ <u>5110</u>	<u>12.20.04</u>
<u>26</u>	<u>3,000 Shares STI STOCK</u>	\$ <u>45,157.98</u>	<u>03.12.05</u>
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Heritage Christian University
SUPPORTING SCHEDULES
6-30-05

SALE OF ASSETS--PART I, LINE 8

	-	-	-
	-	-	-
	-	-	-
	-	-	-
Total -- securities	-	-	-
Land Cypress Mill Road	-	-	-
Vehicles	-	-	-
Fixtures	-	-	-
Total - sale of assets	-	-	-

OTHER CHANGES IN NET ASSETS (PART I, LINE 20)

Payments to annuity and unitrust income beneficiaries	50,613
Payments to life income beneficiaries	14,484
Changes in Prior year Fund Balance (Change this descripton to actual)	-
Adjustments of actuarial liability	28,028
Total	93,126

CURRENT YEAR DEPRECIATION--PART II, LINE 42

Land improvements	5,685
Buildings	29,329
Vehicles	2,611
Furniture & equipment	43,509
Library books & periodicals	54,452
DLP video tapes	14,705
Total	150,291

OTHER NOTES AND LOANS RECEIVABLE--PART IV, LINE 51

Notes receivable (Loan Fund)

123,430

INVESTMENTS IN SECURITIES--PART IV, LINE 54

Earth Technology Corporation stock

2,500

Oracle stock - 25 shares

625

General Electric - 140 Shares

4,869

Ameritrade Money Funds

166

Pooled investment fund--Salomon Smith Barney

3,561,138

Unitrust and variable annuities

1,526,261

Total

5,095,558

INVESTMENTS IN REAL PROPERTY--PART IV, LINE 55

Dymacek It, Geneva County, Alabama

1,000

Lot and dwelling; Mabelvale, Arkansas

23,500

11 acres, Cypress Mill RD, Florence, AL

37,818

Fairfield Resort

13,400

Lot (Mattie Jones Estate)

2,000

Total

77,718

OTHER INVESTMENTS--PART IV, LINE 56

Cash surrender value--life insurance

59,198

Notes receivable--unpaid balance

-

Total

59,198

LAND, BUILDINGS & EQUIPMENT--PART IV, LINE 57

Land

793,114

Construction in progress

-

Land improvements

244,031

159,067

Buildings

1,466,451

583,976

Vehicles

26,771

25,767

Furniture & equipment

657,393

429,272

Library books & periodicals

1,111,233

818,711

DLP video tapes

229,263

194,399

Totals

4,528,256

2,211,192

OTHER ASSETS--PART IV, LINE 58

Planned giving receivable--long term
Total

51,628

51,628

MORTGAGES AND OTHER NOTES PAYABLE--PART IV, LINE 64b

Bonds payable
Notes payable--banks
Total

2,634

1,370,670

1,373,304

OTHER LIABILITIES--PART IV, LINE 65

Actuarial liability for life income funds
Agency funds
Total

634,536

68,008

702,544

STATEMENT ABOUT ACTIVITIES--SCHEDULE A, PART III, LINE 4

The college provides various grants and scholarships to its enrolled students whose qualifications are determined by a scholarship committee.

Heritage Christian University
2005-06 BUDGET PROPOSAL--EXPENDITURE:

		Proposed Budget 2005-06
	<u>PUBLIC AFFAIRS</u>	
505 - 162	Salaries--clerical	29,809
516 - 162	In House Productions	26,040
517 - 162	Photographic services	50
520 - 162	Supplies	1,246
521 - 162	Postage and shipping	621
523 - 162	Software	500
526 - 162	Travel, meals, and lodging	50
528 - 162	Conferences, conventions, meetings	
534 - 162	Telephone	
535 - 162	Furniture/equipment	
540 - 162	Equipment rental	
538 - 162	Repairs and maintenance--equipmer	294
560 - 162	Printing and publications	5,103
575 - 162	Advertising	22,475
576 - 162	Promotional expense	1,050
589 - 162	Other expenses	975
	Total--Public Affairs	<u>88,213</u>

Hi, Alana

Thanks for contacting us about captioning. We'd love to work with you.

We create a very high-quality captioning file. This means that we take great care to do several quality control passes through your show to ensure that spelling, grammar, research, and reading rate all meet our high standards. Brochure attached fyi.

I can give you a discount based on the quantity of 13+ episodes. The cost for captioning is as follows (all prices in Canadian dollars):

Pop-on captioning: \$405 per episode (regular price would have been \$450)

Roll-up captioning: \$305 per episode -- check with your broadcaster to see if roll-up captioning is suitable before proceeding. Certain types of shows are better than others for roll-up style captioning. Ask me for more info.

When we're done, we will have created a captioning file. This captioning file then needs to be encoded onto your submaster. Your post-production house should be able to do this for you, or I can provide you with a list of Vancouver-area post-houses.

I can also provide you with more info on as-produced transcripts, our specs, and our process. Please do not hesitate to contact me should you require further details or to schedule your project.

Regards,

**Dawn Simpson
Caption Editor & Director of Marketing
Line 21 Media Services Ltd.
Vancouver, B.C., Canada V6B 2T4
Tel. 604-662-4600
Fax 604-662-4606**

Web www.line21cc.com

Internal Revenue Service

Department of the Treasury

**P. O. Box 2508
Cincinnati, OH 45201**

Date: March 20, 2003

Heritage Christian University
P.O. Box HCU
Florence, AL 35630

Person to Contact:
Steve Brown 31-07422
Customer Service Representative
Toll Free Telephone Number:
877-829-5500
8:00 a.m. to 6:30 p.m. EST
Fax Number:
513-263-3756
Federal Identification Number:
[REDACTED]

Dear Sir or Madam:

This is in response to your request of March 20, 2003 regarding your organization's tax exempt status.

In September 1972, we issued a letter that recognized your organization as exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information submitted with the application, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in sections 509(a)(1) and 170(b)(1)(A)(ii). That classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's purposes, character, method of operations, or sources of support have changed, please let us know so we can consider the effect of the change on the organization's exempt status and foundation status.

Revenue Procedure 75-50, published in Cumulative Bulletin 1975-2 on page 587, sets forth guidelines and record keeping requirements for determining whether private schools have racially nondiscriminatory policies as to students. Your organization must comply with this revenue procedure to maintain its tax-exempt status.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, they are not automatically exempt from other federal excise taxes.

Heritage Christian University
23-7013287

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

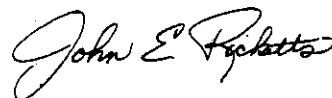
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,



John E. Ricketts, Director, TE/GE
Customer Account Services